

MP-504

June - Examination 2018

**Master of Business Administration -
II Year Examination****International Financial Management****Paper - MP-504****Time : 3 Hours]****[Max. Marks :- 80**

Note: The question paper is divided into three sections A, B and C. Write answers as per the given instructions.

Section - A**8 × 2 = 16**

(Very Short Answer Type Questions)

Note: Answer **all** questions. As per the nature of the question delimit your answer in one word, one sentence or maximum up to 30 words. Each question carries 2 marks.

- 1) (i) What is currency option?
- (ii) What is balance of trade?
- (iii) What do you mean by derivatives?
- (iv) Write two objectives of IMF.
- (v) What is transaction exposure?
- (vi) Write any two determinants of foreign exchange rates.
- (vii) What is 'Call' and 'Put'?
- (viii) What do you mean by FII?

Section - B**4 × 8 = 32**

(Short Answer Questions)

Note: Answer **any four** questions. Each answer should not exceed 200 words. Each question carries 8 marks.

- 2) Write arguments in favour of floating exchange rates.
- 3) Explain the organizational structure of world Bank.
- 4) Explain the challenges of Indian financial markets.
- 5) Explain the advantages of SDR's.
- 6) Critically evaluate international monetary system.
- 7) What do you mean International Investment strategies? Explain any two strategies.
- 8) Write a note on "Long term International Financial Sources".
- 9) Write a short note on "European Monetary Union".

Section - C**2 × 16 = 32**

(Long Answer Questions)

Note: Answer **any two** questions. You have to delimit your each answer maximum up to 500 words. Each question carries 16 marks.

- 10) Why does disequilibrium arise in BOP? What measures be adopted to correct the disequilibrium?
- 11) Critically evaluate the Purchasing Power Parity Theory of exchange rate determination.
- 12) Discuss the success and failures of Asian Development Bank.
- 13) Explain the characteristics of global financial markets and their impact on Indian markets.